AMENDED IN SENATE JUNE 18, 2002

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 2284

Introduced by Assembly Member Horton

February 20, 2002

An act relating to alcoholic beverages to add Section 710 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2284, as amended, Horton. Department of Alcoholic Beverage Control: revenue sources: study Telephone corporations: employment. Existing law requires the Department of Alcoholic Beverage Control to administer the provisions of the Alcoholic Beverage Control Act.

This bill would require the Department of Alcoholic Beverage Control to conduct a study to identify potential revenue sources, as specified, to fund its programs and systems.

The Public Utilities Act governs the rights and obligations of public utilities, including telephone corporations, and subjects them to regulation by the Public Utilities Commission.

This bill would provide that it is the preference of California, consistent with state and federal constitutional requirements, that the tasks and duties necessary for the rendering of intrastate telephone service by telephone corporations be performed by California residents. The bill would prohibit this preference from being used as a basis for any regulatory or civil action against a telephone corporation or as a basis for preference by the state in a contractual bidding process.

Vote: majority. Appropriation: no. Fiscal committee: yes no. State-mandated local program: no.

AB 2284 — 2 —

4 5

7

9

10

12

13

14

15 16

17 18

19 20

21 22

23

26

2728

33

34

The people of the State of California do enact as follows:

1 SECTION 1. The Department of Alcoholic Beverage Control 2 SECTION 1. The Legislature finds and declares all of the 3 following:

- (a) Telephone corporations serve a vital function, providing basic infrastructure essential to the efficient conduct of commerce and societal interaction.
- (b) Telephone corporations bear a heightened responsibility for contributing to the public interest.
- (c) The public interest has been interpreted to include providing an adequate level of telecommunications service at a just and reasonable rate. This interpretation has not explicitly included a consideration of the benefits of telephone corporation employment to the state and its residents.
- (d) Given the current poor economic climate and the high unemployment rate within the State of California, it is necessary and proper state policy to encourage the employment of Californians and discourage the employment of non-Californians by California's telephone corporations.
- (e) The Public Utilities Commission has broad powers to regulate the practices and rates of telephone corporations.
- SEC. 2. Section 710 is added to the Public Utilities Code, to read:
- 710. It is the preference of the State of California, consistent with the federal and state constitutions, that the tasks and duties necessary for the rendering of local telephone service within the state be performed by residents of California. This section shall not be used as a basis for any regulatory action or any civil action against any telephone corporation or as a basis for preference by the state in a contractual bidding process.
- shall conduct a study to identify potential revenue sources to fund its programs and systems, including, but not limited to, both of the following:
 - (a) Those revenues that could be derived from the issuance of alcoholic beverage licenses made available by the department as part of a secondary priority drawing process.

—3 — **AB 2284**

(b) Revenue sources identified pursuant to Sections 19 and 20
of Chapter 488 of the Statutes of 2001.